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Message Text

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ACTION OES-07

INFO OCT-01 EUR-12 ISO-00 ACDA-12 CIAE-00 INR-10 IO-13
L-03 NSAE-00 EB-08 NRC-05 SOE-02 DODE-00 SS-15
SP-02 CEQ-01 INRE-00 NSCE-00 SSO-00 OIC-02 AF-10
ARA-10 EA-10 NEA-10 /133 W
----------016706 141837Z /72
O 141754Z APR 78
FM AMEMBASSY VIENNA
TO SECSTATE WASHDC IMMEDIATE 5979
INFO USDOEHQ WASHDC IMMEDIATE
USDOEHQ GERMANTOWN IMMEDIATE
AMEMBASSY BONN
AMEMBASSY BRUSSELS

C O N F I D E N T I A L SECTION 01 OF 02 VIENNA 03530

USIAEA, USEEC

DEPT PASS IO/SCT, OES/NET, NRC
DOE PASS AMMONS, IA

E.O. 11652: GDS
TAGS: IAEA, TECH, EEC, ENRG
SUBJECT: IAEA/EURATOM SAFEGUARDS FACILITY ATTACHMENTS;
TECHNICAL ISSUES

REF: (A) VIENNA 3307, (B) VIENNA 3500

1. WHILE IAEA/EURATOM NEGOTIATIONS OF SUBJECT FACILITY ATTACHMENTS (FA'S) ARE CONTINUING AND INTENSIFYING PRIOR TO APRIL 21 BG MEETING, AGREEMENT APPEARS POSSIBLE BY APRIL 21 REGARDING THE FACILITY ATTACHMENT FOR THE SMALL (40 TU/Y) WAK SPENT FUEL REPROCESSING PLANT IN FRG. IF SUCH AGREEMENT IS REACHED, PRECEDENTS MAY BE ESTABLISHED FOR RESOLVING SOME OF BASIC ISSUES (IDENTIFIED IN PARA 7 OF GOV/1883, TRANSMITTED REFTEL A) RELEVANT TO SUBSE-
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QUENT REPROCESSING PLANTS OR OTHER FACILITIES HANDLING BULK PU OR HIGHLY ENRICHED URANIUM (HEU). SOME OF THOSE BASIC ISSUES WILL REMAIN UNRESOLVED, HOWEVER, EVEN IF THE FA FOR WAK IS COMPLETED.

2. ONE KEY ISSUE IDENTIFIED BY DIRECTOR GENERAL EKLUND IN PARA 7 OF GOV/1884 IS THAT, IN FACILITIES HANDLING

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BULK PU OR HEU, AGENCY NEEDS ACCESS TO STRATEGIC POINTS WITHIN THE PROCESS AREA FOR OBTAINING INDEPENDENT ASSURANCE OF NUCLEAR MATERIAL FLOWS AND QUANTITIES. EURATOM AND FRG ARE REPORTED TO BE TAKING POSITION IN SUBJECT NEGOTIATIONS THAT ENTIRE PROCESS AREAAT BULK HANDLING FACILITIES IS ONE SINGLE "MATERIAL BALANCE AREA" (MBA) AND THAT STRATEGIC POINTS TO WHICH IAEA CAN HAVE ACCESS ARE ONLY THE INPUTS AND OUTPUTS TO THAT MBA. IAEA, ON OTHER HAND, NEEDS ADDITIONAL ACCESS FOR SEVERAL REASONS, SUCH AS TO OBTAIN INDEPENDENT ASSURANCE THAT IT IN FACT HAS KNOWLEDGE OF ALL INPUTS AND OUTPUTS. IN AN INFORMAL MEETING IN FRANKFURT APRIL 7, MR. VAN OSTEN OF FRG FEDERAL MINISTRY OF RESEARCH AND TECHNOLOGY REPORTEDLY TOLD IAEA REPS THAT HIS GOVERNMENT INTERPRETED THE EURATOM/IAEA AGREEMENT TO MEAN THAT "STRATEGIC POINTS" (THOSE TO WHICH IAEA ACCESS IS CONFINED FOR ROUTINE INSPECTION) CANNOT BE LOCATED INSIDE AN MBA. IT MAY BE POSSIBLE TO DUCK THIS ISSUE IN FA FOR WAK IF THE ISSUE DISCUSSED IN NEXT PARA IS RESOLVED IN THAT FA, BUT SUCH ARRANGEMENT WOULD NOT PROVIDE GENERAL SOLUTION FOR OTHER CASES.

3. ANOTHER ISSUE IDENTIFIED IN GOV/1884 PARA 7 IS THAT IAEA HAS ALSO SOUGHT, FOR SAME PURPOSES OF INDEPENDENT ASSURANCE, TO HAVE ACCESS IN BULK HANDLING PLANTS TO CERTAIN PRPROCESS DATA PERTINENT TO THE FLOW OF CONFIDENTIAL

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NUCLEAR MATERIAL. ARTICLE 58 OF THE EURATOM/IAEA SAFE-GUARDS AGREEMENT PROVIDES FOR IAEA TO HAVE ACCESS TO "OPERATING RECORDS". IN OTHER NPT SAFEGUARDS AGREEMENTS THIS HAS PROVIDED IAEA ACCESS TO PERTINENT PROCESS DATA IN THE OPERATOR'S RECORDS. AT THE APRIL 7 INFORMAL FRANKFURT MEETING, VAN OSTEN REPORTEDLY TOLD IAEA REPS THAT "OPERATING RECORDS" IS NOT INTERPRETED BY HIS GOVERNMENT TO INCLUDE PROCESS DATA AND THEREFORE AGENCY HAD NO RIGHT OF ACCESS TO PROCESS DATA. VAN OSTEN REPORTEDLY SAID THIS POSITION HAD RECENTLY BEEN CON-FIRMED DURING A "HIGH LEVEL" MEETING AMONG EURATOM AND FRG OFFICIALS.

4. IAEA BELIEVES IT ESSENTIAL TO OBTAIN FORMAL CLARIFICATION FROM EURATOM ON THE FOREGOING TWO POINTS. EURATOM HAD EARLIER REFUSED TO ACCEPT INCLUSION OF A FOOTNOTE IN THE FA FOR WAK WHICH SET FORTH AS SAFEGUARDS GOAL ACHIEVEMENT OF A TEN-DAY DETECTION TIME FOR DIVERSION WITHIN WAK OF 8 KGS OR MORE OF PLUTONIUM. IAEA HAD PROPOSED FOLLOWING ALTERNATIVE IN EXCHANGE FOR DELETION OF FOOTNOTE REFERENCE TO SPECIFIC DETECTION TIME GOAL; A) ACCESS BY IAEA TO PROCESS DATA ON ROUTINE

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BASIS IN ORDER TO DETERMINE THAT QUANTITIES OF PU IN CERTAIN PROCESS EQUIPMENT REMAINED BELOW THAT EXPECTED UNDER NORMAL OPERATING CONDITIONS AND B) ACCESS TO THAT EQUIPMENT IF AND WHEN PROCESS DATA INDICATED PU QUANTITY EXCEEDED CERTAIN VALUES. SINCE FRG IS RESISTING BOTH FOOTNOTE AND ALTERNATIVE, IAEA UNDERSTANDABLY IS CONCERNED THAT IT WILL BE UNABLE TO ASSURE USG AND OTHERS THAT TIMELY DETECTION IN REPROCESSING AND OTHER BULK HANDLING PLANTS WILL BE POSSIBLE.

5. GOV/1884 PARA 7 ALSO IDENTIFIES THE PROBLEM OF THE

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USIAEA

WORKING ARRANGEMENTS FOR THE JOINT IAEA/EURATOM INSPECTION TEAMS. EURATOM/FRG TEAM (EURATOM NEGOTIATORS ARE NOW OPENLY ACKNOWLEDGING THAT THEY ARE GETTING DIRECTION FROM FRG OFFICIALS IN THESE NEGOTIATIONS, E.G., MEETING APRIL 13 IN VIENNA ON FA FOR WAK WAS DELAYED BY THE LATE ARRIVAL OF J. HEIL OF THE FRG BM FOR R & T) IS SEEKING AGREEMENT THAT IF THERE IS NO "TECHNICAL" NEED FOR TWO INSPECTORS OF THE JOINT TEAM (ONE EACH FROM IAEA AND EURATOM) TO DO A PARTICULAR TASK, ONLY ONE WOULD DO IT (THAT ONE WOULD HAVE TO BE THE EURATOM INSPECTOR SINCE IAEA IS NOT PERMITTED TO OPERATE ALONE). THUS IAEA WOULD NOT HAVE INDEPENDENT ASSURANCE OF THE VALIDITY OF THE PARTICULAR SAFEGUARDS ACTIVITY.

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THIS ISSUE NEED NOT BE ADDRESSED AS MATTER OF PRINCIPLE
IN NEGOTIATION OF FA FOR WAK, SINCE DETAILED DESCRIPTION
OF INSPECTION ACTIVITIES BY JOINT TEAM FOR WAK WERE AGREED
IN JULY, 1977. MISSION IS UNINFORMED AT PRESENT RE
DETAILS OF DIFFICULTIES IN APPLYING JOINT TEAM APPROACH
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TO OTHER EURATOM FACILITIES. IMPRESSION GIVEN BY IAEA IS
THAT EURATOM/FRG HAS RAISED ISSUE IN ABSTRACT, RATHE THAN
ADDRESSING SPECIFIC ACTIVITIES IN SPECIFIC PLANT. IF THAT
IS CASE (AND MISSION WILL ATTEMPT CONFIRM), PROSPECTS FOR
RESOLUTION BY ANY MEANS ARE FAR LESS FAVORABLE THAN IN
PRAGMATIC PLANT-BY-PLANT APPROACH.

6. ANOTHER POSITION REPORTEDLY BEING TAKEN BY EURATOM/FR
G IS THAT BULK HANDLING FACILITY OPERATORS SHOULD NOT
DETERMINE THE RANDOM AND SYSTEMATIC ERRORS OF THEIR OWN
NUCLEAR MATERIAL MEASUREMENTS BUT THAT THIS SHOULD BE
DONE EXCLUSIVELY BY EURATOM. BASIS FOR IAEA'S EVALUATION
OF NUCLEAR MATERIAL QUANTITY UNCERTAINTIES WOULD THEN
SUPPOSEDLY BE LIMITED TO DATA AT LUXEMBOURG RATHER
THAN AT THE FACILITY WHERE THE SOURCE DATA COMPILED BY
THE OPERATOR IS LOCATED. THIS POSITION IS SEEN BY IAEA
AS A FURTHER EFFORT BY FRG TO NARROW THE INTERPRETATION
OF "OPERATING RECORDS" AND THEREBY LIMIT ACCESS BY IAEA,
SOLELY AS MATTER OF PRINCIPLE.

7. MISSION HAS JUST LEARNED THAT DIRGEN HAS CALLED
MEETING OF ALL NNWS MEMBERS OF EC THIS AFTERNOON. WE
ASSUME GENERAL SUBJECT IS EURATOM/IAEA NEGOTIATIONS, BUT
PRECISE PURPOSE IS UNKNOWN TO US. WE HAD HEARD DURING
EVENING OF APRIL 13 THAT DIRGEN WAS LIKELY TO SEEK
GUIDANCE FROM BOARD AT APRIL 21 MEETING ON FOREGOING
ISSUES. IF THAT IS HIS INCLINATION, HE MAY BE ALERTING
EC MEMBERS TO THAT PLANNED ACTION. MISSION WILL REPORT
FURTHER DEVELOPMENTS. KIRK

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